REMARKS

Favorable reconsideration is respectfully requested in view of the remarks of record and the following remarks and attached Declaration.

I. Obviousness Rejections

On pages 3 and 4 of the last Office Action, claims 1-24 were rejected under 35 U.S.C. § 103(a) as obvious over EP 0 526 840 or Suzuki et al. (US 5,281,610). Further, on pages 4-6 of the last Office Action, claims 1-24 were rejected under 35 U.S.C. § 103(a) as unpatentable over JP 06-100561 in view of US '610. Applicants respectfully traverse these rejections, for the reasons of record and for the following reasons and attached Declaration.

In order to demonstrate the advantages of the claimed compounds, a comparison study was performed, as shown in the attached Declaration, between a claimed compound (Example No. 9 on page 68 of the specification; hereinafter referred to as the "inventive compound") and US '610 Compound 1, which is a molecule derived by removal of methylene from the inventive compound, (3,5-diphenyl-1H- pyrazolo [4,3-c] [1-8] naphthyridin-4(5H)-one; hereinafter referred to as the "US '610 compound") for their PDE IV inhibitory efficacies according to assay methods disclosed in the present specification.

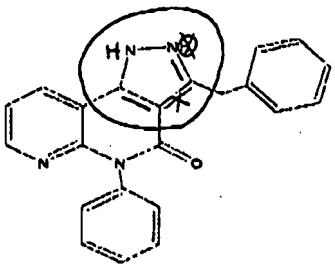
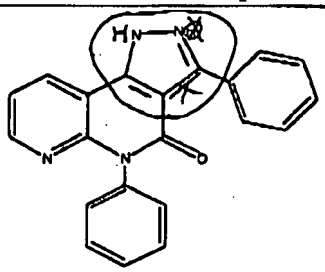
As apparent from Table 1 in the Declaration, the PDE IV inhibitory efficacy (IC_{50} = 0.084μM) of the inventive compound is about 3 times higher than the PDE IV inhibitory efficacy (IC_{50} = 0.25μM) of the US '610 compound. Therefore, the presence or absence of methylene greatly affects PDE IV inhibition activity.

As indicated in the attached Declaration, such results are unexpected to a person of skill in the art. Thus, the attached Declaration shows that the claimed invention has unexpectedly superior PDE IV inhibition activity. This augmentation in PDE IV inhibition would not have been expected by a person skilled in the art.

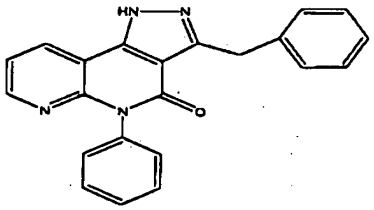
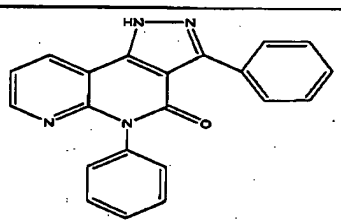
Neither JP 06-100561 nor Suzuki et al. teaches or suggests this unexpectedly superior PDE IV inhibition activity of the claimed compounds. Therefore, Applicants respectfully suggest that these rejections are untenable and should be withdrawn.

II. TYPOGRAPHICAL ERROR CORRECTION

On page 12 of our amendment and reply of October 31, 2007, Table 1 contains typographical errors in the chemical structures of the inventive compound and the US '610 compound. The errors are indicated in the following copy of this Table:

	The Inventive Compound	The US' 610 Compound
Chemical Formula		
PDE IV Inhibition (IC_{50})	0.084 μM	0.25 μM

Thus, this Table should have presented the following structures:

	The Inventive Compound	The US '610 Compound
Chemical Formula		
PDE IV Inhibition (IC_{50})	0.084 μM	0.25 μM

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Applicants note that such structures are correctly shown in the attached Declaration.

CONCLUSION

In view of the amendments and remarks of record as well as the foregoing remarks and attached Declaration, the present application is in condition for allowance and early notice to that effect is hereby requested.

If the Examiner has any comments or proposals for expediting prosecution, please contact the undersigned attorney at the telephone number below.

Respectfully submitted,

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By: _____

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